



ORDER NUMBER
G-15-24

IN THE MATTER OF
the *Utilities Commission Act*, RSBC 1996, Chapter 473

and

Nelson Hydro
Compliance Filing – 2023 Revenue Requirement Application
Variance to Decision and Order G-330-23

BEFORE:

B. A. Magnan, Commissioner

on January 18, 2024

ORDER

WHEREAS:

- A. On January 8, 2024, Nelson Hydro filed its compliance filing (Compliance Filing) to the British Columbia Utilities Commission (BCUC), regarding Decision and Order G-330-23. In the Compliance Filing, Nelson Hydro seeks to clarify that in the Cost of Service Analysis (COSA) Model used for the 2023 Revenue Requirement Application (RRA), the capital addition it included for 2022 related to the Mill St. Substation upgrade project was \$800,000, not \$1,051,700 (Request);
- B. On December 5, 2023, the BCUC issued Decision and Order G-330-23, regarding Nelson Hydro's 2023 RRA, approving Nelson Hydro's applied for rate increase of 9.87 percent for Rural ratepayers on a permanent basis, effective January 1, 2023. Under Directive 6, the Panel directs Nelson Hydro to remove from rate base the Mill St. Substation upgrade project capital additions included for 2022 (\$1,051,700) and 2023 (\$2,125,000);
- C. In the Compliance Filing, Nelson Hydro clarified that the capital addition included for 2022 is \$800,000 not \$1,051,700. Nelson Hydro submits that it should have been directed to remove from rate base the Mill St. Substation upgrade project capital additions of \$800,000 for 2022 and \$2,125,000 for 2023. Accordingly, Nelson Hydro states that it has proceeded in this manner as reflected in the Compliance Filing COSA Model; and,
- D. The BCUC has reviewed the Request and considers that a variance to Directive 6 of Decision and Order G-330-23, is warranted.

NOW THEREFORE pursuant to section 99 of the *Utilities Commission Act*, the BCUC orders the following:

Directive 6 of Order G-330-23 is varied as follows:

Nelson Hydro is directed to remove from rate base the Mill St. Substation upgrade project capital additions included for 2022 (\$800,000) and 2023 (\$2,125,000).

Page 18 of the Decision is varied to read as follows:

the Panel directs Nelson Hydro to remove from rate base the capital additions it included for 2022 (\$800,000) and 2023 (\$2,125,000).

DATED at the City of Vancouver, in the Province of British Columbia, this 18th day of January 2024.

BY ORDER

Original signed by:

B. A. Magnan
Commissioner